

BEFORE THE  
ILLINOIS COMMERCE COMMISSION

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3	HAMILTON COUNTY TELEPHONE CO-OP.	)	
4	Petition of Hamilton County Telephone	)	DOCKET NO.
5	Co-op for Arbitration under the	)	05-0644
6	Telecommunications Act to Establish	)	(Cons.)
7	Terms and Conditions for Reciprocal	)	
8	Compensation with Verizon Wireless	)	
9	and its Constituent Companies.	)	
10			
11	LaHARPE TELEPHONE COMPANY, INC.	)	
12	Petition of LaHarpe Telephone Company,	)	DOCKET NO.
13	Inc., for Arbitration Under the	)	05-0645
14	Telecommunications Act to Establish	)	
15	Terms and Conditions for Reciprocal	)	
16	Compensation with Verizon Wireless	)	
17	and its Constituent Companies.	)	
18			
19	McDONOUGH TELEPHONE COOPERATIVE, INC.	)	
20	Petition of McDonough Telephone	)	DOCKET NO.
21	Cooperative, Inc., for Arbitration	)	05-0646
22	Under the Telecommunications Act to	)	
	Establish Terms and Conditions for	)	
	Reciprocal Compensation with Verizon	)	
	Wireless and its Constituent	)	
	Companies.	)	





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I N D E X

WITNESSES

DIRECT

CROSS

REDIRECT

RECROSS

(NONE . )

I N D E X

EXHIBITS

MARKED

ADMITTED

(NONE . )



1     62703, and I'm an attorney licensed to practice law  
2     in the state of Illinois.

3             MR. MYERS:   For the Respondent Companies, which  
4     have been generally described as the Constituent  
5     Companies, making up various entities within the  
6     family of CILCO Partnership, doing business as  
7     Verizon Wireless, my name is Dennis Myers.

8                     My business address is 1515 Woodfield  
9     Road, Suite 1400, Schaumburg, Illinois 60173.

10                    I also -- we caused to be filed  
11    yesterday as Motion for Special Leave to Appear for  
12    Mr. Schenkenberg who is an attorney admitted to  
13    practice in the State of Minnesota, and will be  
14    actively acting as Counsel for the Respondents in  
15    each of these proceedings.

16                    Bill, do you want to enter your  
17    appearance?

18             MR. SCHENKENBERG:   Bob, thank you.   Philip,  
19    Phil Schenkenberg.   I'm with the law firm of Briggs  
20    and Morgan.   My business address is 2400 IDS Center,  
21    Minneapolis, Minnesota 55420.

22             MR. LANNON:   And appearing on behalf of the

1 Staff of the Illinois Commerce Commission, Mike  
2 Lannon, L-A-N-N-O-N, Brandy Brown, 60 North LaSalle  
3 Street, Suite C-800, Chicago, Illinois 60601.

4 JUDGE YODER: Let the record reflect there  
5 appear to be no other parties wishing to enter their  
6 appearance.

7 These actions were filed I believe  
8 last Thursday, as I recall. We're set up here  
9 basically to set up an arbitration schedule pursuant  
10 to the Rules of the Illinois Commerce Commission.

11 Based on that, I circulated a draft of  
12 a schedule to the various parties, and understanding  
13 that there are short time lines involved, are the  
14 parties -- do any parties have a position on that  
15 schedule that was circulating?

16 MR. SCHENKENBERG: Your Honor, I would propose  
17 that before we get to the schedule, we talk about the  
18 consolidations so that we can --

19 JUDGE YODER: That's fine, Mr. Murphy.

20 MR. MURPHY: And if I may, your Honor, just  
21 before that, could we have the record reflect --  
22 assuming there are no objections --

1 JUDGE YODER: Okay, Mr. Schenkenberg?

2 MR. MURPHY: -- (continuing) the Motion for  
3 Mr. Schenkenberg participating.

4 JUDGE YODER: Mr. Fodor, do you have any  
5 objection -- well, let me ask you, Mr. Schenkenberg,  
6 you're admitted in Minnesota; is that what you said?

7 MR. SCHENKENBERG: Yes, your Honor.

8 JUDGE YODER: Okay, and you've practiced there  
9 for how long?

10 MR. SCHENKENBERG: I've practiced there for  
11 just about ten years.

12 JUDGE YODER: Okay, and are you aware as to  
13 whether the Minnesota - I'm not sure of the exact  
14 name - Public Utilities Commission allows  
15 out-of-state attorneys to practice before them on  
16 motion?

17 MR. SCHENKENBERG: Yes, it does.

18 JUDGE YODER: Mr. Fodor, do you have any  
19 objection to Mr. Schenkenberg being allowed to appear  
20 in these dockets?

21 MR. FODOR: No objection.

22 JUDGE YODER: Mr. Murphy, do you have any



1 objection?

2 MR. MURPHY: No objection.

3 JUDGE YODER: Mr. Lannon or Mr. Brown, do you  
4 have any objection?

5 MR. LANNON: Staff has no objection, your  
6 Honor.

7 JUDGE YODER: Mr. Schenkenberg will be granted  
8 leave to appear under the Commission Rules in these  
9 Dockets as an out-of-state attorney.

10 Next we had a discussion off the  
11 record about the consolidation of these matters all  
12 being filed and all reflecting the same date.

13 Do the parties have a position they  
14 wish to express on consolidating 05-0644 through and  
15 including 05-0649?

16 MR. MURPHY: This is Joe Murphy, the  
17 Arbitration Petitioners are in favor of consolidation  
18 and would note for the record that these negotiations  
19 were done jointly across all of the companies who are  
20 proposing to be consolidated here along with Grafton  
21 Telephone Company, who I understand filed a petition  
22 yesterday when their window opened, and it may become

1 a topic later as to whether they ought to also be  
2 consolidated.

3 But given that the agreements or the  
4 agreements as they exist now are the same in each  
5 case and the issue presented in each one of the  
6 dockets is the same, actually the two issues -- or,  
7 I'm sorry - the three issues are the same, we would  
8 propose to consolidate them.

9 JUDGE YODER: Mr. Fodor, do you have any  
10 position on consolidation?

11 MR. FODOR: I would join in Mr. Murphy's Motion  
12 to Consolidate, and I also represent Grafton and I  
13 don't know if it's appropriate now, but I do believe  
14 that we should I consolidate Grafton in with this  
15 one.

16 If I need to file a written motion in  
17 that case, I can. It's just whatever your Honor's  
18 pleasure is.

19 JUDGE YODER: Well, if you can get something on  
20 file, we can set that one for maybe a quick hearing  
21 next week.

22 MR. MURPHY: Okay.

1 JUDGE YODER: And get that one resolved and get  
2 it consolidated.

3 Mr. Schenkenberg or Mr. Myers, any  
4 position on the consolidation issue?

5 MR. SCHENKENBERG: This is Phil Schenkenberg.  
6 Verizon wireless supports consolidation of all seven  
7 cases.

8 JUDGE YODER: Mr. Lannon?

9 MR. LANNON: Staff has no objection to  
10 consolidation, your Honor.

11 JUDGE YODER: All right. Then on the Parties  
12 joint Motions and agreements, Dockets 05-0644 through  
13 and including -0649 will be consolidated for these  
14 proceedings.

15 (Whereupon, Dockets 05-0644 through and  
16 including -0649 are consolidated.)

17 JUDGE YODER: Next, we would have the issue of  
18 the schedule to be followed in these matters then.

19 Mr. Murphy or Mr. Fodor, do you want  
20 to proceed?

21 MR. FODOR: Joe, do you want to go or shall I?

22 MR. MURPHY: Sure. This is Joe Murphy again.

1                   As your Honor noted earlier, you  
2     circulated an Arbitration Schedule that was based on  
3     the Commission's standing Rule. And the Arbitration  
4     Petitioners in these dockets would propose to follow  
5     that without variation.

6                   I think the Parties here have  
7     negotiated these -- been negotiating these agreements  
8     for quite a while and are fairly familiar with what's  
9     going on here.

10                  As I indicated earlier, there are  
11     currently only three issues in the arbitration: Two  
12     of them are fairly minor, and Mr. Schenkenberg has  
13     indicated that one of them may simply go away because  
14     his client may not pursue it.

15                  I think the only issue of any  
16     substance is a rate issue, and the facts surrounding  
17     the rate issue - at least as presented by the  
18     individual Companies - will be substantially  
19     identical. Mr. Schenkenberg has indicated that he  
20     has discovery that will go out to each of the  
21     Companies.

22                  However, when it comes down to it, I

1 think the testimony that -- the Parties on either  
2 side of these arbitrations are likely to file are  
3 going to be substantially the same for each of the  
4 Companies.

5 As a consequence, this is an  
6 arbitration over basically one issue which is the  
7 appropriate forward looking rate for each of the  
8 Arbitration Petitioners.

9 And although the timelines are tight,  
10 in the Commission's Rule, I think they're there for a  
11 reason, and moving them back isn't going to  
12 substantially benefit anyone because at the end of  
13 the day, we need the Commission to decide this issue.

14 It's been negotiated and I think we've  
15 arrived at arbitration and here we are, we need to  
16 move forward on it.

17 JUDGE YODER: Mr. Fodor?

18 MR. FODOR: I have the same positions with  
19 respect to the schedule that you circulated. I think  
20 it's appropriate and I would support it.

21 I have one question which we may want  
22 to take up later. I don't know if you want to

1 clutter up the record with the discovery requests or  
2 responses.

3 Under the normal Code, Part 200 and  
4 under the normal circuit court rules rules, the  
5 discovery requests and the responses to discovery do  
6 not get put into the record. I noticed that your  
7 schedule indicates they would be filed, and I'd like  
8 to address that maybe later.

9 JUDGE YODER: Okay, that's fine. Well, we can  
10 address that later if you want to think about it.

11 MR. FODOR: I just don't think we need to  
12 clutter up the record.

13 JUDGE YODER: That's fine.

14 MR. FODOR: There's going to be a model for the  
15 costing that is voluminous, at best.

16 JUDGE YODER: Okay.

17 MR. FODOR: The experts will understand it; the  
18 rest of us don't even need to look at it.

19 JUDGE YODER: Okay. Mr. Schenkenberg or  
20 Mr. Myers?

21 MR. SCHENKENBERG: This is Phil Schenkenberg,  
22 thank you.

1                   Having done a number of these  
2   arbitrations before, I've generally been in  
3   situations where the Parties have negotiated  
4   schedules that perhaps go beyond the statutory time  
5   lines and do that by agreement.

6                   But here I think where we have  
7   Petitioners who are asking that the timelines be  
8   followed, I don't believe we're in a position to ask  
9   the Commission to go beyond that.

10                  And as a result, we'll abide by the  
11   Arbitration Schedule and the Commission's rules and  
12   that will get us done within the statutory time  
13   frames.

14                 JUDGE YODER:   Okay.

15                 MR. SCHENKENBERG:   And I do agree that it looks  
16   like we have one significant issue and perhaps one  
17   more minor issue.   Although we have a cost model with  
18   a lot of inputs, we have an expert witness who is  
19   going to want and need a lot of information to try to  
20   determine what appropriate looking costs are.

21                  And there is going to be a lot to do  
22   in discovery.   And if Parties end up coming back and

1     needing more time for that, I think we'll understand  
2     that.

3             JUDGE YODER:   All right.   Mr. Lannon, does  
4     staff have any position on the schedule?

5             MR. LANNON:    Your Honor, subject to  
6     Dr. Zolnierrek stating otherwise, Staff has no  
7     objection to working with the schedule.

8             JUDGE YODER:   He's shaking his head no.

9             MR. ZOLNIEREK:  No objection.

10            JUDGE YODER:   Okay.   All right then, we will  
11     expect the Parties to comply with the schedule as  
12     contained in the Commission Rules.

13            MR. SCHENKENBERG:  May I just make one more  
14     point:

15                            I believe on the schedule, your Honor,  
16     that you sent around, the 10-31 date was for  
17     Respondent to file response to the petition.  I  
18     believe in the Rules, the Respondent files response  
19     to petition and verified statements and exhibits.

20            JUDGE YODER:   I might have stopped typing  
21     there.  Okay.

22            MR. SCHENKENBERG:  I assume that what we're



1 going to follow is per the rules?

2 JUDGE YODER: Correct, okay.

3 MR. MURPHY: And just to add on to that, I  
4 guess we should all assume that the references on  
5 your Arbitration Schedule are references to the  
6 Rules, and to the extent the Rules provide any more  
7 detail about what's to occur on those deadlines or  
8 those dates, we should look to the rules?

9 JUDGE YODER: Correct. Section 761.210, our  
10 Schedule for Arbitration Procedure and Discovery.

11 MR. MURPHY: Okay.

12 JUDGE YODER: I was just trying to get that out  
13 let everybody -- to make sure we're all essentially  
14 on the same page.

15 MR. MURPHY: Well -- and I guess as I look at  
16 it, there is one more lose date on there which is:  
17 You show the last date for hearings as 12-12. We  
18 probably need to establish actual hearing dates.

19 MR. SCHENKENBERG: We talked about this  
20 yesterday and I did not have confirmation to get to  
21 Mr. Murphy and Mr. Fodor, my witnesses would be  
22 available on the 12th and 13th.

1           MR. MURPHY: That works for my clients, the  
2   12th and 13th.

3           JUDGE YODER: December 12th?

4           MR. FODOR: Yes, works for us, too, your Honor.

5           JUDGE YODER: Mr. Lannon, is Staff available on  
6   December 12?

7           MR. LANNON: Again, subject to Dr. Zolniererek's  
8   stating otherwise, yes, we are.

9           JUDGE YODER: Okay.

10          MR. SCHENKENBERG: Actually, Mr. Murphy and I  
11   have what should be a very short status on the 13th  
12   at 10:00, but that's the only conflict. But both  
13   Mr. Murphy and I have that.

14          JUDGE YODER: Well, if we have to take a short  
15   break or something, that's fine, if it should go into  
16   the 13th. We have a regular open Commission meeting  
17   at 10:00 that day also.

18                    So all right, we'll set the matter for  
19   hearing then on December 12, 2005 at 9:00, all right?

20          MR. MURPHY: 9:00 is fine. And I suggest we  
21   schedule it to go on to the 13th, or hopefully we'll  
22   get done with it in a day.

1           MR. LANNON: Your Honor, can we push back that  
2 starting date an hour. I may be driving down, if  
3 that's okay with all the other parties?

4           JUDGE YODER: Is that fine? Mr. Fodor, do you  
5 have any --

6           MR. FODOR: Yes, your Honor, that's all right.

7           MR. MURPHY: I still think we can get done in  
8 one day but it's prudent to schedule two. Even if we  
9 start at 10, I think we'll get done in one day.

10          JUDGE YODER: Okay. Mr. Murphy, is 10:00 all  
11 right?

12          MR. MURPHY: That's fine.

13          JUDGE YODER: Okay. Mr. Schenkenberg?

14          MR. SCHENKENBERG: Yes.

15          JUDGE YODER: Okay, all right, we'll set it  
16 10:00 then, December 12, 2005.

17                    Is there anything else that we need to  
18 discuss today on the 6th that were scheduled for  
19 today -0644 through -0649, Mr. Murphy?

20          MR. MURPHY: Only Mr. Fodor's point about the  
21 filing of discovery.

22          JUDGE YODER: Okay.

1           MR. SCHENKENBERG: Verizon would prefer to have  
2   that servered but not filed. We agree with  
3   Mr. Fodor.

4           JUDGE YODER: That's acceptable, too.

5           MR. MURPHY: As do I agree with Mr. Fodor.

6           JUDGE YODER: That's fine. I'm sure that's  
7   fine.

8                       Do you want to address the Grafton  
9   case, we have all the Parties here today? I don't  
10   see any reason I can't call it since the Parties are  
11   here even though we're not here on prior notice.

12          MR. FODOR: I'll waive notice.

13          JUDGE YODER: Okay.

14                      Mr. Schenkenberg, is it all right if  
15   we go ahead and address 05-0657, the Grafton Petition  
16   today?

17          MR. SCHENKENBERG: If I'm allowed to appear in  
18   that case, then, yes.

19          JUDGE YODER: Okay.

20          MR. FODOR: No objection.

21          JUDGE YODER: Okay. You'll be admitted also to  
22   practice in that case.

1           MR. SCHENKENBERG:   Thank you.

2           JUDGE YODER:   We'll continue the first six we  
3   called and then I'll call the other one.

4                               (WHEREUPON, these Proceedings  
5                               are continued to Monday,  
6                               December 12, 2005 at 10:00 A.M.  
7                               in Springfield, Illinois.)

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